GOVERNMENT OF INDIA
MINES
LOK SABHA

UNSTARRED QUESTION NO:2737
ANSWERED ON:14.03.2016
Online Auction of Mines
Kamal Nath Shri ;Rio Shri Neiphiu

Will the Minister of MINES be pleased to state:

(a) Whether there was inadequate response to the recent online auction of non-coal mines in the country;
(b) If so, the details thereof and the reasons therefore, mine-wise;
(c) Whether the Government has consulted the State Government and the Federation of Indian Mining Industries before initiating the e-auction process, if so, the details and the outcome thereof; and
(d) The corrective steps taken by the Government to make e-auction of mines successful?

Answer

THE MINISTER OF STATE FOR MINES AND STEEL (SHRI VISHNU DEO SAI)
(a) to (d):
Auction results in respect of six non-coal mines in the States of Jharkhand, Chhattisgarh and Odisha indicate overwhelming success. The details are annexed. However, in absence of requisite number of bidders, for the blocks put on auction for the first round, the bidding process in the State of Rajasthan, Gujarat and Maharashtra could not attain finality.
While auctioning is being conducted by the respective State Governments, for its success the Central Government has taken a number of steps. The subordinate legislation and model templates have been notified. Before notifying the same detailed deliberations with all the stakeholders including States and the Industry Associations were carried out. In addition, in order to successfully carry out of the task of auctioning of mineral concession, the Central Government through its organization and Public Sector Undertaking have provided required assistance to the concerned State Governments.
Demand and supply configuration of particular ore in the vicinity, quantity and grade of ore and economic uses, quality of the mineralization studies, land ownership pattern, Coastline environment restrictions wherever applicable, general market scenario and any end use conditions imposed by the states in the bidding documents are factors that have bearing on the response of potential bidders in the auction process. State Governments have to take a note of these factors while inviting tenders.
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